

# GRANITE STATE HOME HEALTH & HOSPICE ASSOCIATION

**Testimony in Support of SB 308,  
re: the health care workforce and making appropriations therefor  
February 13, 2019**

Madam Chairman and members of the committee. I'm Gina Balkus, CEO of the Granite State Home Health and Hospice Association, which advocates on behalf of home care, hospice and palliative care providers and the people they serve. Our organization supports the passage of SB 308.

When I ask home care and hospice senior leaders what keeps them up at night, the responses are the same: workforce and reimbursement. Without improvement in both areas, the sustainability of critical health care services will be in jeopardy for many Granite Staters. SB 308 addresses these issues through a well-thought, comprehensive approach to improving the workforce pipeline and improving Medicaid reimbursement.

While all types of employers are facing a workforce shortage, it's important to understand the current situation for home care and hospice agencies. A recent survey of our members by Patrick Miller at Helms and Company reported 431 full-time equivalent vacancies among 23 agencies on December 31, 2018. The average vacancy rate for all direct-care budgeted positions was 16%, with a 24% vacancy rate for per-diem positions. Lower wage positions, such as personal care service providers and homemakers, had higher vacancy rates. What's more, the survey showed that a competitive job market has resulted in high turnover rates. In calendar year 2018, home care and hospice agencies had a 30% annual turnover rate, compared to a 13% annual turnover rate in 2016. Nearly all agencies reported that they had to decline new patients because of they lacked capacity to staff the cases.

Our Association strongly supports Section 2 of the bill which requires DHHS to increase all Medicaid provider rates by 5% in SFY 2020 and 7% in SY 2021. NH DHHS has a Medicaid fee schedule for home care services which are covered by the Managed Care Organizations (MCOs.) The last rate update for some home health services was 2010. Some rates have been unchanged since 2006. And others, such as physical therapy, have had the same Medicaid reimbursement rate since 1999! It's time for the Legislature to fund rate increases so health care providers can cover the cost of delivering care.

Our Association assumes that the language on page 1, line 20, requiring a rate increase for "all Medicaid providers" would also include Medicaid waiver programs such as Choices for Independence, which offers long term services and supports to vulnerable adults in their homes. However, we are concerned that the fiscal note fails to include these services. CFI home care providers had a modest 5% increase in 2015, and other CFI providers had a 4% increase in 2017, but neither of those updates provided enough rate relief to sustain the CFI program. Recent data released by DHHS showed large gaps in the amount of authorized services that clients were actually able to obtain. This is because providers lose money on CFI, can't afford to offer competitive wages and are forced to cut back on services or leave the CFI



program altogether. The rate increase in SB 308 should be applied to waiver programs to begin to rebase CFI rates so that access can improved.

Our Association supports Sections 3 through 13 of SB 308. We believe that mandatory data collection from licensed health care professionals will provide the Legislature with aggregate work force data and help identify trends that can inform public policy.

Our Association supports Section 15 of the bill, which allows the NH State Police to contract with an outside vendor to establish an online criminal background check process. The current process is slow and cumbersome. Other states do a much better job. Rapid turnaround of criminal background checks will enable health care employers to complete the hiring process faster and fill vacant positions.

SB 308 also invests in programs to engage younger students in healthcare careers, scholarships for health care study programs, and recruitment of health care professionals to underserved areas. We support all these initiatives.

This bill is a major and much-needed investment in the health care workforce. It is a step in the right direction to improve Medicaid reimbursement and enhance important programs that enable health care providers to recruit and retain qualified professionals. SB 308 is essential if New Hampshire is to rise to the challenge of caring for all patients -- today and in the future. We urge you to recommend SB 308 as "ought to pass."